

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES  
HEALTH AND RECOVERY SERVICES ADMINISTRATION  
Olympia, Washington**

**To:** Physical Therapists  
Managed Care Organizations

**Memorandum No: 06-55**  
**Issued: June 30, 2006**

**From:** Douglas Porter, Assistant Secretary  
Health and Recovery Services  
Administration (HRSA)

**For information contact:**  
800.562.3022 or go to:  
<http://maa.dshs.wa.gov/contact/prucontact.asp>  
**Supercedes # Memos 04-88 & 04-48**

**Subject: Physical Therapy Program: Policy Clarification and Fee Schedule Changes**

**Effective for dates of service on and after July 1, 2006**, the Health and Recovery Services Administration (HRSA) will implement:

- The updated Medicare Physician Fee Schedule Data Base (MPFSDB) Year 2006 relative value units (RVUs);
- Clarify policy; and
- A one percent (1%) vendor rate increase.

### **Maximum Allowable Fees**

HRSA is updating the Physical Therapy Program fee schedule with Year 2006 RVUs. The 2006 Washington State Legislature appropriated a one percent (1%) vendor rate increase for the 2007 state fiscal year. The maximum allowable fees have been adjusted to reflect these changes.

Visit HRSA's web site at <http://maa.dshs.wa.gov>. To view a current fee schedule, click ***Provider Publications/Fee Schedules***, then ***Accept***, then ***Fee Schedules***.

Bill HRSA your usual and customary charge.

## DME Needs Assessment

Providers billing for durable medical equipment (DME) needs assessments must bill with the following procedure codes:

Procedure Code	Limitations/Policy
97762	Providers must bill this code for DME assessments. Payment is limited to two assessments per calendar year, with two 15-minute increments (units) per session
97542	Providers must bill this code for a wheelchair needs assessment. Payment is limited to one assessment per calendar year, with a maximum of four 15-minute increments (units).

## Expedited Authorization Update

HRSA updated the Expedited Prior Authorization Criteria Coding List with the new physical therapy codes.

PHYSICAL THERAPY	
CPT®: 97010-97150, 97530-97537, 97750, 97755, 97761	
Code	Criteria
<b>640</b>	<i>An additional 48 Physical Therapy program units</i> when the client has already used the allowed program units for the current year and has <b>one</b> of the following surgeries or injuries: <ol style="list-style-type: none"> <li>1. Lower extremity joint surgery;</li> <li>2. CVA not requiring acute inpatient rehabilitation; or</li> <li>3. Spine surgery.</li> </ol>
<b>641</b>	<i>An additional 96 Physical Therapy program units</i> when the client has already used the allowed program units for the current year and has recently completed an acute inpatient rehabilitation stay.

\*CPT stands for Current Procedural Terminology.

## Policy Clarification

Active wound care management for physical therapists involves selective and non-selective debridement (CPT codes 97597, 97598, and 97602). The following conditions apply:

- HRSA covers one unit each of CPT codes 97597, 97598, and 97602 per client, per day, per wound.
  - Do not bill any of these codes together for the same wound.
  - Providers may only bill any of these codes together if they are for separate wounds.
- Providers must not bill CPT codes 97597, 97598, and/or 97602 in addition to CPT codes 11040-11044.

<b>Note:</b> For multiple wounds, use modifier 59.
--

## Place of Service

**Reminder: Effective July 1, 2006**, all claims submitted to HRSA must include the appropriate Medicare **two-digit place of service code**. Claims with a single-digit place of service code will be denied. See [Numbered Memorandum 06-26](#) for previous notification of this change.

## National Correct Coding Initiative

HRSA continues to implement the National Correct Coding Initiative (NCCI) policy. The Centers for Medicare and Medicaid Services (CMS) created this policy to promote national correct coding methods. NCCI assists HRSA to control improper coding that may lead to inappropriate payment. HRSA bases coding policies on:

- The American Medical Association's (AMA) Current Procedural Terminology (CPT®) manual;
- National and local policies and edits;
- Coding guidelines developed by national professional societies;
- The analysis and review of standard medical and surgical practices; and
- Review of current coding practices.

HRSA may perform a post-pay review on any claim to ensure compliance with NCCI. Visit the NCCI on the web at <http://www.cms.hhs.gov/physicians/cciedits>.

## Updated Billing Instructions

HRSA has published updated *Physical Therapy Program Billing Instructions* that include the July 1, 2007 Fee Schedule, EPA update, Policy Clarification, and new formatting. See "How can I get HRSA's provider documents?" for information on obtaining these new billing instructions.

## How do I conduct business electronically with HRSA?

You may conduct business electronically with HRSA by accessing the WAMedWeb at <http://wamedweb.acs-inc.com>

## How can I get HRSA's provider documents?

To obtain HRSA's provider numbered memoranda and billing instructions, go to HRSA's website at <http://maa.dshs.wa.gov> (click on the **Billing Instructions/Numbered Memoranda** or **Provider Publications/Fee Schedules** link).

To request a free paper copy from the Department of Printing:

1. **Go to:** <http://www.prt.wa.gov/> (Orders filled daily.)
  - a) Click **General Store**.
  - b) If a **Security Alert** screen is displayed, click **OK**.
    - i. Select either **I'm New** or **Been Here**.
    - ii. If new, fill out the registration and click **Register**.
    - iii. If returning, type your email and password and then click **Login**.
  - c) At the **Store Lobby** screen, click **Shop by Agency**. Select **Department of Social and Health Services** and then select **Health and Recovery Services Administration**.
  - d) Select **Billing Instructions, Forms, Healthy Options, Numbered Memo, Publications, or Document Correction**. You will then need to select a year and then select the item by number and title.
2. **Fax/Call:** Dept. of Printing/Attn: Fulfillment at FAX 360.586.6361/telephone 360.586.6360. (Orders may take up to 2 weeks to fill.)